



Office of Criminal Enforcement, Forensics and Training
September 30, 2006

DEFENDANT: Karlog Shipping Company Ltd.

E.D. New York CR-05-750(ARR)

DEFENDANT: Athanasios Chalkias

E.D. New York 05 CR 0346 (ARR)

DEFENDANT: Panagiotis Kokkinos

E.D. New York 05 CR 0347 (ARR)

FACTS: In November 2004, a routine Coast Guard investigation discovered evidence that a bypass pipe had been used on the M/V Friendship to route oil around the ship's oil-water separator. Evidence also indicated that the pollution was concealed by maintaining a false oil record book that made it appear that the ship was being operated properly. Discharging oil into the ocean may harm fish and other aquatic species.

DATE: 05/19/2005 The company was charged with three counts and the individuals were charged with two counts each, in an Information for violating 33 U.S.C. 1908(a) - false oil record book entries; 18 U.S.C. 1505 - Obstruction of Justice; and 18 U.S.C. 1001 - false statements.

STATUTE: 18 U.S.C. 1001, 18 U.S.C. 1505, 33 U.S.C. 1908(1)

DATE: 11/15/2005 The defendants pled guilty to the counts charged against them in the Information.

DATE: 10/06/2005 Kokkinos and Chalkias were each sentenced to 30 days incarceration and 36 months probation.

DATE: 11/15/2005 Karlog Shipping was ordered to pay a \$1 million fine, develop a fleet-wide court-monitored environmental management system, pay a \$1,200 special assessment fee and serve 36 months probation.